income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).<sup>42</sup> Q LINK will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a sample of which is attached as Exhibit A,<sup>43</sup> Q LINK will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and, if different, a billing address for the service (which may include a P.O Box or General Delivery address).<sup>44</sup> Q LINK will inquire on its certification forms whether or not the address provided is temporary.<sup>45</sup> If so, Q LINK will notify the consumer that the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Q LINK's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program. Also on its certification forms, Q LINK will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.<sup>46</sup> If the subscriber has moved, Q LINK will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.<sup>47</sup>

As detailed below, Q LINK's certification form will clearly explain the one-perhousehold requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

<sup>42</sup> See Order at ¶ 78.

<sup>&</sup>lt;sup>43</sup> See Exhibit A. The sample certification form remains subject to change, but substantially reflects the content of the Company's application.

<sup>44</sup> See Order at ¶ 85.

<sup>45</sup> See Order at ¶ 89.

<sup>&</sup>lt;sup>46</sup> See Order at  $\P$  85.

<sup>&</sup>lt;sup>47</sup> See id.

#### 2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Q LINK's application form will identify that it is a "Lifeline" application. Q LINK will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interacts with actual or prospective customers with respect to obtaining, changing, or terminating Lifeline services.

Q LINK's initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. Q LINK's Lifeline certification forms will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal government benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and

(vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

Q LINK will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Q LINK will verbally explain the certifications to consumers when they are enrolling in person or over the phone. With respect to those enrolling via the Internet, Q LINK will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving

on to the next field.<sup>48</sup> Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email, or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, which meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.<sup>49</sup>

Q LINK will determine eligibility, at a minimum, utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a), (b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, O LINK will check the eligibility of applicants first by accessing state or federal social services electronic eligibility databases, where available.<sup>50</sup> If a database is used to establish eligibility, Q LINK will not require documentation of the applicant's participation in a qualifying federal program; instead, Q LINK or its representative will note in its records what specific data was relied upon to confirm the applicant's initial eligibility for Lifeline.<sup>51</sup> However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Q LINK to check electronic databases for eligibility, Q LINK will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.<sup>52</sup> Q LINK will require acceptable documentation both for income eligibility and program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the applicant demonstrated his or her

<sup>&</sup>lt;sup>48</sup> See Order at ¶ 123.
<sup>49</sup> See Order at ¶ 168.

<sup>&</sup>lt;sup>50</sup> See Order at  $\P$  97.

<sup>&</sup>lt;sup>51</sup> See Order at ¶ 98.

<sup>52</sup> See Order at ¶ 99.

eligibility.<sup>53</sup> Q LINK understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Q LINK remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.<sup>54</sup>

#### 3. Annual Re-Certification

Q LINK understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year. By December 31, 2012, Q LINK will re-certify the continued eligibility of all of its subscribers by contacting them – either in person, in writing, by phone, by text message, by email, or otherwise through the Internet – to confirm their continued eligibility. The recertification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact Q LINK. Q LINK will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual recertification within 30 days. Q LINK understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications. St

Alternatively, where a database containing consumer eligibility data is available, Q LINK (or state agency or third-party, where applicable) will instead query the database by the end of

<sup>&</sup>lt;sup>53</sup> See Order at ¶ 101.

<sup>&</sup>lt;sup>54</sup> See Order at ¶ 110.

<sup>&</sup>lt;sup>55</sup> See Order at ¶ 130.

<sup>56</sup> See id.

<sup>&</sup>lt;sup>57</sup> See Order at ¶ 132.

2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Q LINK will contact the subscriber during the annual certification process to obtain a valid address.<sup>58</sup> After 2012, Q LINK will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.<sup>59</sup>

Q LINK will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of Q LINK's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state; and

(2) that the Company is in compliance with all federal Lifeline certification procedures.<sup>60</sup> In addition, Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each customer for whom the Company seeks Lifeline reimbursement.<sup>61</sup>

<sup>59</sup> See Order at ¶ 133.

<sup>&</sup>lt;sup>58</sup> See Order at ¶ 131.

<sup>&</sup>lt;sup>60</sup> See Order at ¶ 126-27.

<sup>&</sup>lt;sup>61</sup> See Order at ¶ 128.

#### B. Other Reforms to Eliminate Waste, Fraud and Abuse

Q LINK shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally. In an effort to prevent waste, fraud, and abuse, Q LINK has implemented procedures to identify and prevent fraud. The goals are to ensure integrity both in Q LINK, but also in the Lifeline program as a whole.

Q LINK has contracted with CGM, LLC of Roswell, Georgia, a Lifeline service bureau, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Q LINK ensures that it does not over-request from support funds.

For each applicant, Q LINK first validates the applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Q LINK requires the applicant provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, Q LINK verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Q LINK checks any available eligibility database. If one is not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. This prevents ineligible applicants from

receiving the Lifeline subsidy.

The address of the applicant is then verified via a USPS/Melissa Database to ensure the address is correct. Simultaneously, the name/address combination is dipped into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Q LINK or any other CGM client. This is done through an API connection between Q LINK's provisioning platform and GCM. This allows the Company to ensure the applicant is not receiving a duplicate subsidy, as well as identify those who share an address with current Q LINK customers. This then prompts the representative to detail the one-per-household rule with the applicant, allowing the applicant to then certify they are head of household. Should Q LINK confirm that a household is receiving more than one subsidy, whether by information obtained from an applicant, USAC's IDRP process, or a national database, the customer will be immediately de-enrolled from the Lifeline program.

If and when Q LINK determines that an applicant is indeed eligible for the Lifeline program, the Company will ship a new or refurbished handset, dependent only upon availability, to the qualifying Lifeline customer along with materials explaining the use of the handset, Q LINK's terms and conditions, and disclosures regarding the Lifeline program. Handsets will not be shipped pre-activated. Qualifying Lifeline customers, upon receipt of the handset, must personally activate the handset by contacting Q LINK Customer Service either over the phone or via Internet.

#### 1. National Lifeline Accountability Database

Q LINK will participate in the National Lifeline Accountability Database, once it is established. As required by the *Order*, Q LINK will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service

initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.<sup>62</sup> O LINK will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.<sup>63</sup>

Furthermore, O LINK will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be disclosed to USAC and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.<sup>64</sup>

Within 30 days following Commission notice that the database is capable of accepting queries, Q LINK will query the database to check if a prospective subscriber is already receiving service from another ETC prior to seeking reimbursement from the Fund. 65

#### 2. Subscriber Usage

O LINK will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, Q LINK will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period. <sup>66</sup> Q LINK will notify its subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.<sup>67</sup> An account will be considered active if during any 60-day period the

<sup>&</sup>lt;sup>62</sup> See Order at ¶ 189. <sup>63</sup> See Order at ¶ 190.

<sup>&</sup>lt;sup>64</sup> See Order, Appendix C.

<sup>65</sup> See Order at ¶ 203.

<sup>&</sup>lt;sup>66</sup> See Order at ¶ 257.

<sup>&</sup>lt;sup>67</sup> See id.

authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.<sup>68</sup> Q LINK utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy. <sup>69</sup> After notification, if the customer fails to use their service, the customer is automatically de-enrolled pursuant to the procedures outlined in section E below. Q LINK will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.<sup>70</sup>

## 3. Marketing & Outreach

Q LINK will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. Q LINK will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:<sup>71</sup> (1) that only eligible consumers may enroll in the program; (2) that the program is limited to one benefit per

<sup>69</sup> CGM, LLC is currently the Company's third party contractor.

<sup>&</sup>lt;sup>68</sup> See Order at ¶ 261.

<sup>&</sup>lt;sup>70</sup> See Order at ¶ 262. 911 transmissions will actually be performed by the Company's underlying facilities-based CMRS provider.

<sup>&</sup>lt;sup>71</sup> See Exhibit B for sample marketing materials. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See Order at ¶ 275.

household, consisting of either wireline or wireless service; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; and (4) that Lifeline is a government benefit program. O LINK will prepare printed material that will explain the documentation necessary for enrollment, and the details of the Company's plans, and will provide such information on its website. Such material and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.<sup>72</sup> For broadcast advertisements and outdoor signage, such as billboards, and any other situation in which inclusion of documentation information and warnings against willful false statements are impractical, Q LINK, will provide the URL link for the information disclosure page on its website. Additionally, Q LINK will disclose the company name under which it does business.<sup>73</sup> In order to reinforce the limitation of one Lifeline phone per household, the following statement, or words to the same effect, will appear in the Company's marketing materials and website (www.qlinkwireless.com) in a conspicuous place, in bold font and in an offsetting color to ensure it is not overlooked:

Lifeline support is limited to one per household on wireline or wireless service.

#### 4. Audits

If Q LINK draws \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, the Company will hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to

<sup>&</sup>lt;sup>72</sup> See Order at  $\P$  275.

<sup>73</sup> See id

assess O LINK's overall compliance with the program's requirements.<sup>74</sup> Q LINK will comply with applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.<sup>75</sup>

#### C. **De-Enrollment**

Q LINK will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).<sup>76</sup> If a customer does not respond to the Company's annual verification survey within 30 days, or if Q LINK has reasonable basis to believe that the subscriber no longer meets the Lifelinequalifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Q LINK will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.<sup>77</sup> Similarly, O LINK will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.<sup>78</sup>

 <sup>&</sup>lt;sup>74</sup> See Order at ¶ 291.
 <sup>75</sup> See Order at ¶ 294.

<sup>&</sup>lt;sup>76</sup> See Order at ¶ 122.

<sup>&</sup>lt;sup>77</sup> See id. In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

<sup>&</sup>lt;sup>78</sup> See Order at  $\P$  89.

Duplicate Scrubbing Process, 79 Q LINK will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service. Non-Usage. O LINK will monitor all customers to ensure that they in fact have usage on their account within a 60-day period. Q LINK will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section IV.B above. Q LINK will send the subscriber a 30-day termination letter, using clear, easily understood language, notifying the subscriber that failure to use the Lifeline service within the 30-day cure period will result in service termination for non-usage. The subscriber will be able to confirm that they want to continue receiving their Lifeline service. Q LINK will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.80 O LINK will not seek reimbursement from the USF during the 30-day cure period unless the subscriber confirms they want to continue service.81

<u>Duplicative Support.</u> Subject to USAC's Duplicate Resolution Process and anticipated

#### D. Additional Rule Amendments

#### 1. **Terms and Conditions of Service**

Q LINK has attached as Exhibit Q its Lifeline terms and conditions of service. These terms and conditions are subject to change as needed, and the most current version may be found at on the Company's website (www.qlinkwireless.com). The terms and conditions of Q LINK's retail plans, as generally available to the public and to which a Lifeline customer can apply their

 <sup>79</sup> See Order at ¶ 214-16.
 80 See Order at ¶ 257.

<sup>&</sup>lt;sup>81</sup> See Lifeline and Link Up Reform Order at ¶ 257.

Lifeline discount (where applicable in particular states), can also be found on the Company's website.

#### 2. **Reporting Requirements**

Q LINK will report all information required by section 54.422, as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.82

#### 3. Reimbursement from USAC

In seeking reimbursement for Lifeline, Q LINK will comply with the requirements of C.F.R. § 54.407, as revised by the Lifeline and Link Up Reform Order. 83 Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement, 84 and the Company will seek reimbursement for actual lines served, not projected lines.85

<sup>&</sup>lt;sup>82</sup> See Order at ¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.
<sup>83</sup> See id page 221.

<sup>&</sup>lt;sup>84</sup> See id at ¶ 128.

<sup>&</sup>lt;sup>85</sup> See id at ¶ 302.

# VII. DESIGNATION OF Q LINK AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is "to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies" to all citizens, regardless of geographic location or income. There is no question that limited designation of Q LINK as an ETC in the Non-Jurisdictional States will promote the public interest by providing low-income consumers in the Non-Jurisdictional States with more affordable and higher quality wireless services. Many low-income consumers have yet to reap the full benefits of the wireless marketplace. Whether because of financial constraints, poor credit or sporadic employment, these consumers often lack access to the benefits that wireless services bring to other consumers. Designating Q LINK as an ETC in the Non-Jurisdictional States will enable it to expand the availability of affordable telecommunications services to qualifying consumers, leading to lower prices and increased choice.

The instant request for limited ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers, particularly low-income consumers, receive affordable and comparable telecommunications services. Given this context, designating Q LINK as an ETC would significantly benefit low-income consumers eligible for Lifeline services in the Non-Jurisdictional States. The Company's participation in the Lifeline

<sup>&</sup>lt;sup>86</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

<sup>&</sup>lt;sup>87</sup> See supra note 25.

<sup>&</sup>lt;sup>88</sup> See TracFone ETC Order, 23 FCC Rcd at 6212 ¶ 15; Virgin Mobile Order, 24 FCC Rcd at 3395 ¶ 38; Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934, CC Docket No. 96-61, Second Report and Order, 11 FCC Rcd 20730, 20760 ¶ 52 (1996).

program would undoubtedly increase opportunities to serve these consumers with appealing and affordable wireless service offerings.

#### A. Advantages of Q LINK's Service Offering

The public interest benefits of the Company's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements.

Q LINK's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all the Company's customers. Q LINK's Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers.

Low-income consumers will further benefit from Q LINK's service because Q LINK's Lifeline service will provide low-income residents with the convenience and security offered by wireless services — even if their financial position deteriorates. ETC designation in the Non-Jurisdictional States would enable Q LINK to offer attractive and affordable service offerings to low-income customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, prepaid wireless services have become essential for low-income customers, providing them with value for their money, access to emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents. Providing Q LINK with the authority necessary to offer discounted Lifeline

services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

In sum, ETC designation in the Non-Jurisdictional States would enable Q LINK to provide all of the public benefits cited by the Commission in its analysis in the *TracFone* and *Virgin Mobile Orders*. Namely, Q LINK would provide "increased consumer choice, high-quality service offerings, and mobility," <sup>89</sup> as well as the safety and security of effective 911 and E911 services. <sup>90</sup>

#### B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades. Designation of Q LINK as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of Q LINK as an ETC will help assure that quality services are available at "just, reasonable, and affordable rates" as envisioned in the Act. Designation of Q LINK as an ETC would offer Lifeline-eligible consumers an additional choice of providers for accessing telecommunications services, representing a significant step towards ensuring that all low-income consumers share in the many benefits associated with access to wireless services.

See Virgin Mobile Order, 24 FCC Rcd at 3395  $\P$  38; TracFone ETC Order, 23 FCC Rcd at 6212  $\P$  15. See Virgin Mobile Order, 24 FCC Rcd at 3391  $\P$  23.

<sup>&</sup>lt;sup>91</sup> See, e.g., Specialized Common Carrier Services, 29 FCC Rcd 870 (1971).

#### C. Impact on the Universal Service Fund

Q LINK's request for designation as an ETC solely for Lifeline purposes would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. Q LINK will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC's Lifeline program. By implementing the safeguards set forth in the Lifeline and Link-up Reform Order, Q LINK will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Significantly, the Company's designation as an ETC will not increase the number of persons eligible for Lifeline support. O LINK's ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to lowincome consumers. According to the FCC, "the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest," and "a new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs."93

#### VIII. ANTI-DRUG ABUSE CERTIFICATION

Q LINK certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

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See Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A), Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

## IX. CONCLUSION

As discussed above, designation of Q LINK as an ETC in the Non-Jurisdictional States accords with the requirements of Section 214(e)(6) of the Act and is in the public interest.

For all of the foregoing reasons, Q LINK respectfully requests that the Commission designate Q LINK as an ETC in the Non-Jurisdictional States.

Respectfully submitted,

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April 12, 2012

#### **EXHIBIT A**

#### **Proposed Lifeline Rates**

#### Plan 1: 68 Monthly Minutes Plan\*

68 anytime minutes per month

(texts are one-third of one minute, i.e. 3 texts = 1 minute)

Net cost to Lifeline customer: \$0 (free)

#### \*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 68 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance
- Free International Long Distance to countries designated at <u>www.qlinkwireless.com</u> (listed below)

#### Plan 2: 125 Monthly Minutes Plan\*

125 anytime minutes per month

(texts are one minute, i.e. 1 text = 1 minute)

Net cost to Lifeline customer: \$0 (free)

#### \*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 125 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance

#### Plan 3: 250 Monthly Minutes Plan\*

250 anytime minutes per month

(texts are one minute, i.e. 1 text = 1 minute)

Net cost to Lifeline customer: \$0 (free)

#### \*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 250 anytime minutes (unused minutes do not rollover)
- Free Domestic Long Distance

# **International Long Distance**

# Free International Calling Destinations on the 68 Monthly Minutes Plan

(Certain special or off-network locations may be excluded from the Free International Long Distance. Calls to cellular phones are not included unless the word "Cellular" is specifically listed next to the country name. Numbers in parentheses () indicate the Country Code.)

Albania-Tirana (355)
Andorra (376)
Argentina (54)
Australia (61)
Austria (43)
Bahamas-Cellular (1)
Bahamas (1)

Bangladesh-Cellular (880) Bangladesh-Chittagong

(880)

Bangladesh-Dhaka (880) Bangladesh-Sylhet (880)

Belgium (32)

Bermuda-Cellular (1)

Bermuda (1)

Bolivia-La Paz (591) Bolivia-Santa Cruz (591)

Brazil (55)

Brunei-Cellular (673)

Brunei (673) Bulgaria (359) Canada-Cellular (1) Canada (1)

Chile (56)

China-Cellular (86)

China (86)

Columbia-Cellular (57) Columbia (57)

Costa Rica (506) Croatia (585)

Cyprus-Cellular (357)

**Cyprus** (357)

Czech Republic (420)

Denmark (45)

France (33)

Dominican Republic (1) Estonia (372) Finland (358)

French Antilles (594)

French Guiana-Cellular

(594) French Guiana (594)

Georgia (995) Germany (49) Gibraltar (350) Greece (30) Guadeloupe (590)

Guatemala-Telgua (502) Hong Kong-Cellular (852)

Hong Kong (852) Hungary (36) Iceland (354) India-Cellular (91)

India (91)

Indonesia-Cellular (62) Indonesia-Jakarta (62) Indonesia-Surabaya (62)

Iraq-Baghdad (964) Ireland (353) Israel (972) Italy (39)

Japan (81)

Jordan (962) Kazakhstan (7) Kenya-Nairobi (254) Lithuania (370)

Luxembourg-Cellular

(352)

Luxembourg (352) Macao-Cellular (853)

Macao (853)

Malaysia-Cellular (60)

Malaysia (60) Malta (356) Mexico (52) Monaco (377) Netherlands (31) New Zealand (64) Norway (47)

Panama (507) Paraguay (595)

Peru (51) Poland (48) Portugal (351) Romania (40)

Russia (7)

San Marino-Cellular (378)

San Marino (378)

Russia-Cellular (7)

Saudi Arabia-Riyadh (966) Singapore-Cellular (65)

Singapore (65) Slovakia (421) Slovenia (386)

South Korea-Cellular (82)

South Korea (82) Spain (34) Sweden (46) Switzerland (41) Taiwan-Cellular (886)

Taiwan (866) Thailand (66) Turkey (90)

United Kingdom (44)

Uzbekistan (7) Venezuela (58)

Vietnam-Ho Chi Minh

City (84) Zambia (260)

# **EXHIBIT B**

Affirmative Statement of the Alabama Public Service Commission

# Alabama Public Service Commission Orders

PINE BELT CELLULAR, INC. and PINE BELT PCS, INC..

PETITION: For ETC status and/or clarification regarding the jurisdiction of the Commission to grant ETC status to wireless carriers.

**Joint Petitioners** 

**DOCKET U-4400** 

#### **ORDER**

#### BY THE COMMISSION:

In a joint pleading submitted on September 11, 2001, Pine Belt Cellular, Inc. and Pine Belt PCS, Inc. (collectively referred to as "Pine Belt") each notified the Commission of their desire to be designated as universal service eligible telecommunications carriers ("ETCs") for purposes of providing wireless ETC service in certain of the non-rural Alabama wireline service territories of BellSouth Telecommunications, Inc. ("BellSouth") and Verizon South, Inc. ("Verizon"). The Pine Belt companies noted their affiliation with Pine Belt Telephone Company, a provider of wireline telephone service in rural Alabama, but clarified that they exclusively provide cellular telecommunications and personal communications (collectively referred to as "CMRS" or "wireless") services in their respective service areas in Alabama in accordance with licenses granted by the Federal Communications Commission ("FCC"). The pivotal issue raised in the joint pleading of Pine Belt companies is whether the Commission will assert jurisdiction in this matter given the wireless status of the Pine Belt companies.

As noted in the filing of the Pine Belt companies, state Commissions have primary responsibility for the designation of eligible telecommunications carriers in their respective jurisdictions for universal service purposes pursuant to 47 USC §214 (e). The Commission indeed established guidelines and requirements for attaining ETC status in this jurisdiction pursuant to notice issued on October 31, 1997.

For carriers not subject to state jurisdiction, however, §214(e)(6) of the Telecommunications Act of 1996 provides that the FCC shall, upon request, designate such carriers as ETCs in non-rural service territories if said carriers meet the requirements of §214(e)(1). In an FCC Public Notice released December 29, 1997 (FCC 97-419) entitled "Procedures for FCC designation of Eligible Telecommunications Carriers pursuant to §214(e)(6) of the Telecommunications Act", the FCC required each applicant seeking ETC designation from the FCC to provide, among other things, "a certification and brief statement of supporting facts demonstrating that the Petitioner is not subject to the jurisdiction of a state Commission."

The Pine Belt companies enclosed with their joint pleading completed ETC application forms as developed by the Commission. In the event the Commission determines that it does not have jurisdiction to act on the Pine Belt request for ETC status, however, the Pine Belt companies seek an affirmative written statement from the Commission indicating that the Commission lacks jurisdiction to grant them ETC status as wireless carriers.

The issue concerning the APSC's jurisdiction over providers of cellular services, broadband personal communications services, and commercial mobile radio services is one that was rather recently addressed by the Commission. The Commission indeed issued a Declaratory Ruling on March 2, 2000, in Docket 26414 which concluded that as the result of certain amendments to the Code of Alabama, 1975 §40-21-120(2) and (1)(a) effectuated in June of 1999, the APSC has no authority to regulate, in any respect, cellular services, broadband personal communications services and commercial mobile radio services in Alabama. Given the aforementioned conclusions by the Commission, it seems rather clear that the Commission has no jurisdiction to take action on the Application of the Pine Belt companies for ETC status in this jurisdiction. The Pine Belt companies and all other wireless providers seeking ETC status should pursue their ETC designation request with the FCC as provided by 47 USC §214(e)(6).

IT IS, THEREFORE, ORDERED BY THE COMMISSION, That the Commission's jurisdiction to grant Eligible Telecommunications Carrier status for universal service purposes does not extend to providers of cellular services, broadband personal communications services, and commercial mobile radio services. Providers of such services seeking Eligible Telecommunications Carrier status should accordingly pursue their requests through the Federal Communications Commission.

IT IS FURTHER ORDERED, That this Order shall be effective as of the date hereof.

DONE at Montgomery, Alabama, this 12<sup>th</sup> day of March, 2002.

ALABAMA PUBLIC SERVICE COMMISSION

Jim Sullivan, President

Jan Cook, Commissioner

George C. Wallace, Jr., Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary

# **EXHIBIT C**

Affirmative Statement of the Connecticut Department of Public Utility Control